

Governor's State Workforce Investment Board

Red Lion Colonial Inn, Helena, Montana

June 9, 2006

DRAFT MINUTES

BOARD MEMBERS PRESENT: Chair Dan Miles, John Beaudry, Arlene Becker, Tom Curry, Mike Grove, Kirk Hammerquist, Jacquie Helt, Julie Jordan, Keith Kelly, Maureen Kenneally, Lane Larson, Tom McKenna, Mike O'Neill, Arlene Parisot, Tony Preite, Gail Richardson, Jeff Rupp, Fred Sargeson, and Linda Woods.

BOARD MEMBERS ABSENT: Vice Chair Marty Copps, Evan Barrett, Dave Crum, Mike DesRosier, Georgia Gibbs-Atkinson, Llew Jones, Robbe Lindsay, Jody Messinger, Joan Miles, Rodney Miller, Gary Perry, John Prinkki, Alan Skari, Karen Sullivan, and Teresa Wall-McDonald.

STAFF: Pam Watson, Leisa Smith, and Chris Wilhelm.

GUESTS: Robert Thornton, Joe Mathews, Ginger Shepherd, Wolfgang Ametsbichler, Debbie Krantz, Jack Hardy, Curt Campbell, Maggie Driscoll, Roxanne Bullard, Bruce Day, Shannon Harrison, Darla Joyner, Diana Willson, Mary Behr, Tom Frisby, Rebecca Reidl, Kate Kahle, Mary Berg, Sheila Hogan, Adam de Yong, Jay Reardon, .Teresa McCarthy, Al Ekblad, Linda Moody, Webb Brown, Kathy Yankoff, Leslie Duffy, Annette Miller, Jerry Laughery, Stephanie Gray, Deb Buxbaum, Bernie Cutter, Don Herzog, Alyssa Townsend-Hudders, Suzanne Ferguson, and Marilyn Brandenburg.

I. Call to Order

Chairman Dan Miles called the meeting to order at 8:36 a.m.

II. Welcome and Introductions

Chairman Miles welcomed Board members, guests, and made special introductions for new SWIB member Tom McKenna, and new SWIB Executive Director Leisa Smith. Chris Wilhelm conducted roll call which established a quorum. Ms. Wilhelm reviewed the documents presented to the guests and board members. Chairman Miles asked for consensus from the Board to suspend the formal Roberts Rules of Order to encourage active and open discussion. The Board agreed through consensus.

III. Approve Agenda

Chairman Miles asked if anyone would need to leave early making it necessary to re-arrange the agenda. Seeing none, he reviewed agenda. Chairman Miles asked for consensus from the Board to approve the agenda as written. The agenda was approved.

IV. Approve Meeting Minutes – January 19/20, 2006

Gail Richardson stated she was absent both days, and Ms. Kenneally stated she was present both days. Mike Grove moved to accept the minutes as amended with the attendance corrections requested, Commissioner Keith Kelly seconded the motion, and the motion carried.

V. Service Provider Panel

Chairman Miles introduced the panel of service providers. Each panelist gave a brief description of the services they provide.

Jay Reardon, Project Challenge Work Again (PC/WA)

PC/WA was started in 1982 by American Federation of Labor and Congress of Industrial Organizations (AFL/CIO) to address the needs of members who were being laid off and needed assistance. Mr. Reardon stated currently, PC/WA is the dislocated worker provider for state of Montana. Mr. Reardon identified an advantage to working with dislocated workers is they were typically long-time workers who were stable and wanted to get back to work. He identified roadblocks to working with dislocated workers could be they may not have had the skills necessary to get back in the workforce, requiring training to re-enter the workforce, and most are established in the communities they live in and are not willing to relocate.

Sheila Hogan, Career Training Institute (CTI)

Ms. Hogan explained the CTI programs and funding sources (handout H01). She said CTI has a "No Wrong Door" policy. Ms. Hogan stated CTI has been working with housing authority residents at Housing and Urban Development (HUD) to provide a full package of training placement and home purchasing courses, the Business Resource Center funded by Small Business Administration (SBA) to provide small business courses, Boyd Andrew Pre-Release Program to provide job development, placement, and training, and will be partnering with the Meth Center in Boulder to help pre-release participants gain the skills required to re-enter the workforce.

Jeff Rupp, Human Resource Development Council (HRDC)

Mr. Rupp stated that he had worked with the youth delivery system for over 30 years. Each year performance standards have been met or exceeded. Programs are designed to assist the most in need youth gain employment or re-enter the secondary education system. He said that all but 5% of enrolled youth struggle with multiple barriers that surround their life. Mr. Rupp spoke about preventive activities that work with school-age children to assist them in completing education by providing work experience and prevent the first mistake of dropping out of school. With older youth who have already dropped out of school, age 18 – 21, the focus is on completing their GED. Mr. Rupp explained that funding from other grants, such as runaway and homeless grants, is leveraged to achieve the most services possible.

Mary Berg, Career Futures and Chair of Southwest Montana Workforce System

Ms. Berg spoke about the collaborative effort in Butte that has been in place since 1999. She reviewed the Community Management Team (CMT) members' handbook which contains the history of workforce system in Butte (handout H02). She then spoke about Career Futures, Inc. (handout H03), which is an employment and training agency for individuals who have been out of the job market for an extended period of time, or who are considering making a career change.

Ginger Shepherd, Adult / Public Job Service Workforce Center

Ms. Shepherd stated she was from the Billings Job Service, located in District 7. She said the Job Service Workforce Center partners with the YWCA for the Employment and Training Program. Together with their many other partners, they cover Yellowstone, Stillwater, Sweet Grass, Carbon, and Big Horn counties. In addition to the many partners who hotel at the HRDC, her programs routinely coordinate and cooperate with PC/WA. The Adult Education program provides TABE tests. She expressed the importance of partners who are essential to assist with child care, transportation, and medical expenses. The Adult 1B program provides training opportunities, case management, job search, and supportive services. Occupational

skills are provided through eligible service providers. The On the Job Training program is working well in the Billings area. Ms. Shepherd explained the employer community wants job retention skills and job ethics. She said the basic contract between employers, eligible employees, and Job Service initially provides skills training and employment, followed by work ethics and job retention skills.

Linda Woods, Job Corps

Ms. Woods explained the Job Corps Centers, the history of the program (handout H04), and the participants served. She said some students have high school diplomas, but are lacking job skills. Ms. Woods stated Job Corps Centers must be safe environments. Safety was insured by individual review of students on a case-by-case basis. Enforcement of zero tolerance for drugs, alcohol, and violence, is achieved by performing drug tests prior to entry and throughout the student's stay. Ms. Woods said that Job Corps Centers are located in Anaconda, Ronan, and Darby. Currently, about 40% of students are Montanans. She said the Job Corps Centers are working with counselors to increase percentage of Montana residents at centers.

Arlene Parisot, Director of 2-year education at OCHE, State Director of Carl D. Perkins funds, and Member of SWIB

Ms. Parisot explained that Perkins is a federal program to support career and technical education at the secondary level and post-secondary level, primarily two-year colleges, Colleges of Technology (COT), Technical colleges, and tribal colleges (handout H05). She said funding is distributed on formula basis. Most services are a student services model aimed at helping individuals with guidance and testing to make appropriate career goal. Ms. Parisot said the goal is to have students complete and either move directly into job or further education. She discussed funding distribution and sources, and the target population of non-traditional students with an average age of 31 – 32 years. Ms. Parisot said that Perkins is now facing re-authorization, which had extended into its eighth year beyond original five years. Each year the President has eliminated Perkins as not being effective. Each year congress has widely supported the Carl D Perkins Act despite section 118 being eliminated. She stated re-authorization would require career pathways. Career and technical education has been vital to Montana. Ms. Parisot mentioned OCHE is a principal partner with the WIRED Grant.

The origination of HRDCs and Job Corps were discussed. Also discussed was how service to tribal colleges linked with OCHE and the Montana University System, how tribal colleges receive accreditation and funding, and the scope of the immigration issue in Montana.

Chairman Miles complimented the panel on the variety of services provided. He said the influence and impact on communities is large, and their dedication and commitment is obvious.

Chairman Miles requested a speaker be located for a future meeting regarding the scope of immigration issues in Montana.

Chairman Miles introduced Marilyn Brandenburg and Bernie Cutter, Montana's Regional Representatives from the US Department of Labor based in Dallas, TX.

VI. Committee Reports – For more details, committee minutes are available on the SWIB website at www.boards.mt.gov/swib/

Executive Committee

Chairman Miles reported on the Executive Committee meeting of April 20, 2006.

Items discussed

- Health care concerns;
- Statewide MOU for One-Stop Services;
- Revised Operating Procedures; and
- Changing the date for the next SWIB Meeting to June 8 and 9, 2006.

Committee Action Taken

- It was moved to authorize the SWIB Chair, in cooperation with the Governor's office, to appoint members and a chair for a healthcare taskforce which would identify the shortages and the regions within which they exist, identify the cause of the shortage, and suggest remedies to the identified shortages so they can make recommendations and the best places to target resources. The motion carried unanimously.
- It was moved to approve the SWIB Statewide MOU as revised. The motion carried unanimously.
- It was moved to approve the revised Operating Procedures. The motion carried unanimously.

Ms. Watson was asked to give an update on the Healthcare Taskforce. Ms. Watson has been working with Ms. Sirota to contact approximately 10 taskforce members. The Taskforce is charged to identify specific shortages and needs, then identify and recommend solutions. She stated a meeting is scheduled for June 16, 2006 to get things started. Outcomes would be expected by September 2006.

Ms. Watson was asked to give an update on the Statewide MOU for One-Stop Services. She stated a request was received from one of the Section 166 tribal representatives to expedite signatures of the MOU so Section 166 partners could meet a required federal deadline. All signatures have been acquired. Ms. Watson said Lt. Governor Bohlinger signed on behalf of Governor Schweitzer. At an appropriate time Governor Schweitzer will schedule a signing ceremony and sign the MOU. At that time, staff will distribute the updated signature page.

Economic Development Committee

Chairman Grove reported on the Economic Development and Business Retention Committee meetings of April 7, and June 8, 2006.

Items discussed

- Review of issues the previous committee pursued
- Leveraging of funding by working with the Department of Commerce
- WIRED Grant
- BEAR Program
- Montana Arts Council
- Bio-fuels

Future Projects

- Identify demand and possible solutions to issues regarding bio-fuels.

Committee Action Taken

- Requested Chairman Grove takes the identified health care issue to Chairman Miles's attention, which was the start of the Healthcare Taskforce.

Youth Council

Chairman Beaudry reported on the Youth Council meeting of May 23, 2006.

Items discussed

- History of WIA and SWIB
- State Youth Forum
- Develop Mission Statement and Goals
- Adult Basic Education and the Test for Adult Basic Education (TABE) test
- Next meeting was scheduled for August 8, 2006.

Committee Action Taken

- There was no action taken at this meeting

Apprenticeship Advisory Committee

Chairman O'Neill reported on the Apprenticeship Advisory Committee meetings of March 16, April 13, and June 8, 2006.

Items discussed

- Toured the International Brotherhood of Electrical Workers and National Electrical Contractors Association (IBEW/NECA) training center in Helena.
- Status of Lineman's College through the COT in Butte.
- Promotion and Marketing of Apprenticeship and Training Program

Future Projects

- Research coordination with COT's to avoid duplication of trade programs.
- Identify federally apprentice-able trades not available in Montana due to state licensing laws to determine if any laws could be amended
- Engage more employers in the Apprenticeship Program (tied back to marketing campaign)

Committee Action Taken

- Directed staff to draft a letter of support for the Apprenticeship and Training Program.
- Recommended SWIB approve the Apprenticeship MOU as amended, and request Ms. Parisot present the MOU to the Board of Regents for endorsement.
 - Amendments:
 - section 2.3.3, remove word "directly"
 - add additional blank signature lines

SWIB Action Taken

- Commissioner Kelly moved to approve the Apprenticeship MOU as amended, and to request Ms. Parisot present the MOU to the Board of Regents for endorsement. John Beaudry seconded the motion, and the motion carried unanimously.

Workforce System Committee

Fred Sargeson reported for Chairman Lindsay on the Workforce System Committee meetings of March 9, and June 8, 2006.

Items discussed

- Career Clusters
- High School Initiative
- IPI Project
- Conferencing Capabilities
- WIA Incentive Dollars Report
- WIA Statewide Policy Manual
- Waiver Request for USDOL
- Snapshot Document

Action Taken

- Due to lack of quorum, the committee could not take action, but conveyed action that would have been taken:
 - Recommend publication of the Snapshot Document
 - Recommended endorsement of the WIA Statewide Policy Manual
 - Recommend approval of the proposed USDOL waiver

One-Stop Development Committee

Ms. Woods reported for Chair Copps on the One-Stop Development Committee meetings of March 8, March 15, and June 7, 2006.

Items discussed

- General definitions for One-Stop System
- CMT Directory
- JobLINC Logo

Committee Action Taken

- Recommended the SWIB approve the revised general definitions of the One-Stop System.
- Recommended statewide use and endorsement of JobLINC logo.
- Recommend certification of One-Stop applicants that meet certification requirements

SWIB Action Taken

- Mr. Sargeson moved to approve revised general definitions of the One-Stop System, Commissioner Kelly seconded the motion, and the motion carried unanimously.
- Jacquie Helt moved to recommend statewide use and endorsement of JobLINC logo, Mr. Grove seconded the motion, and the motion carried unanimously.
- Commissioner Kelly moved to approve re-certification of the South Central Montana JobLinc as a certified One-Stop Center, Mr. Beaudry seconded the motion, and the motion carried unanimously.
- Mr. O'Neill moved to approve certification of the Missoula / Mineral Area One-Stop as a certified One-Stop Center, Tom Curry seconded the motion, and the motion carried unanimously.
- Ms. Parisot moved to approve certification of the Southwest Montana Workforce System as a certified One-Stop Center, Mr. Sargeson seconded the motion, and the motion carried unanimously.

- Commissioner Kelly moved to approved certification of the Capitol Area Workforce System as a certified One-Stop Center, Ms. Helt seconded the motion, and the motion carried.

Plaques were presented recognizing each Certified One-Stop System for their effective community partnerships and continuous improvement in the workforce system.

Commissioner Kelly moved to re-consider the Yellowstone Area System One-Stop certification at such time as it is re-submitted. Mr. McKenna seconded the motion, and the motion carried unanimously.

VII. WIRED Presentation

Kirk Hammerquist introduced Adam de Yong. Mr. de Yong spoke about how the WIRED Grant will work in Montana. He explained Montana was selected for three reasons: Eastern Montana is in the right situation for a much-needed transformation; strategic partnerships have been demonstrated; and Montana's plan for bio-products was timed perfectly. Mr. de Yong stated funding will flow through the Department of Commerce, the Office of the Commissioner of Higher Education, and the Department of Labor and Industry. WIRED funding can only be used for workforce training, which is narrowly defined. Montana's WIRED region is very different from the other WIRED regions around the nation who have large populations with existing large industries. Montana's industry will need to be built almost from the ground up.

Mr. de Yong stated USDOL Assistant Secretary DeRocco and Governor Schweitzer kicked off the WIRED tour in Billings. From there they traveled to Havre to visit the Applied Technology Center in MSU-Northern. The next stop of their tour was Peaks and Prairies in Malta. Peaks and Prairies produces bio-lubricants and is testing a bio-oil. The final leg of the WIRED tour was to visit an oil seed crushing plant in Culbertson. Mr. de Yong felt this tour gave a good sense of Montana's WIRED region's size.

Mr. de Yong shared some of the crops being looked at and what their market is. He said one of the largest barriers to entry into the bio-product industry would be to convince the farmers to plant something new. These barriers will be combated through six existing ag-experimentation sites, by sharing crop-to-product marketing, and by sharing the benefits and versatility of particular crops. Mr. de Yong said the focus of the career pathways and workforce training will be variety. One key component will be marketing and getting people involved in the programs and industry.

Gary Morehouse from the Department of Commerce (DOC) spoke about the rules and regulations for the WIRED Grant funds distributed through DOC (handouts H07 & H08). He shared how DOC's rules and regulations tie closely with those of OCHE.

Tony Preite shared DOC's past projects and how they interrelate with both WIRED and workforce services funds. He also expressed the importance of leveraging funding and reminded members the WIRED funds are a limited amount of money. Partnerships with other organizations will help bring in companies to employ individuals trained by the WIRED funds.

VIII. WIA Funding Allocations for Program Year (PY) 2006

Gary Wright discussed this year's WIA funding. Commissioner Kelly reminded SWIB members and the public about Governor Schweitzer's requested of the SWIB. He said the increased accountability, increased local involvement, streamlined administration, and more funds to the last and the least have all been accomplished.

Mr. Wright referenced the June 5, 2006 Issue Paper for SWIB Members (handout H09). He explained an issue was identified with the US Department of Labor's published 2000 census data that resulted in it being ruled invalid for purposes of determining funding split between BOS and CEP. New data will not be certified and released until the end of June at the earliest. Mr. Wright said the new program year will begin July 1, 2006, and the service provider agreements will need to be in place at that time. USDOL suggested states use last year's percentages for allocating dollars to the two local areas. Mr. Wright stated the allocation will need to be modified and service provider agreements will need to be re-issued once the corrected 2000 census data is released.

Mr. Wright explained the WIA Funding for Adult, Youth, and Dislocated Worker distribution handout which broke out distribution of the recovered funds (handout H10). He also distributed the WIA Funding Comparison which showed funding as it would have been if the transition had not occurred compared to WIA Funding as a result of the transition (handout H11). The difference was \$903,866. Chairman Miles asked if this amount was a savings. Mr. Wright explained it was a redistribution of funds rather than a savings. Mr. Wright reference the Recaptured Funds pie graph (handout H06), and the WIA Funding comparison, stating what used to cost \$1.2 million only cost \$124,000 this year. He said the pie graph represented the distribution of re-allocated funds. Mr. Wright stated WIA will receive a 1% hit on money received last year; the difference will only be about \$24,000. He said the decrease will be taken out of administrative dollars, not program dollars.

In March, the USDOL advised states of an opportunity to apply for a waiver of the federal WIA regulations in regard to incumbent worker training. DLI would like to submit a waiver to distribute \$400,000 of the recovered administrative costs to the adult and dislocated worker money. That money will then be moved to the Department of Commerce for incumbent worker training instead of the \$400,000 they have received in the past from the Governor's discretionary funds. This will free up the Governor's discretionary funds for other uses that could be requested by the SWIB.

Mr. Grove moved to approve the program funding split for Program Year 2006, Gail Richardson seconded the motion. Discussion ensued regarding the Governor's discretionary and set aside funds. Ms. Helt and Mr. Rupp abstained, and the motion carried.

Mr. Beaudry moved to approve the recaptured funds distribution pending USDOL's approval of the waiver request, and Maureen Kenneally seconded the motion. Ms. Helt and Mr. Rupp abstained. The motion carried.

IX. WIA Update

Transition Update

Kathy Yankoff gave an update on the transition to a single statewide planning area. She stated WIA has produced a new single policy manual which is a consolidation of previous local and state manuals. The draft had been posted to WIA website in mid-February, and notification had been sent to SWIB and interested parties at that time for comments. The new manual was distributed to providers at the Technical Assistance & Training sessions in Billings and Missoula the last week in March. She stated the manual is an on-going process that will be revised as needed.

Ms. Yankoff said Technical Assistance Training (TAT) sessions were held in Billings in Missoula the last week of March. In attendance were 112 service providers. Covered topics included: Keys to Success – USDOL Perspective, Quality Case Management – Getting the Right Start,

Quality Case Management – Activities & Services, Keys to Success – State Administrative Role, Keys to Success – Tools and Tips, and Putting the Pieces Together. Presenters included WIA unit staff, USDOL, Dallas regional office, and WIA Utah staff. Good feedback was received and will be utilized for the next session.

Ms. Yankoff explained WIA duties have shifted to better focus on monitoring: Suzanne Ferguson has become Monitoring and Technical Assistance Coordinator; Kathy Yankoff has taken over as Dislocated Worker Program Manager, and will continue as interim WIA Supervisor until Ms. Watson completed her transition to the WIA Supervisor position.

In June WIA staff will be working in collaboration with the Office of Public Instruction to provide training sessions to WIA service providers regarding administering the Test for Adult Basic Education (TABE). A make-up session will be available in August. agreements will be sent to all current service providers. The WIA Unit goal is to have all service provider agreements in place by July 1, 2006.

Monitoring Update – Suzanne Ferguson

Suzanne Ferguson gave an update on WIA Unit Monitoring. She said the WIA Unit began conducting monitoring in mid May and will continue through August. She explained what each type of monitoring looked at:

- Program monitoring looked at services being provided and case management;
- Management information system monitoring looked at what's in computer vs. files; and
- Fiscal monitoring looked at money;

All three types of monitoring are conducted at the same time to minimize disruptions. To date WIA Unit Staff have monitored providers in Billings, Missoula, and Polson. Mini technical sessions lasting about 4 hours are performed in conjunction with monitoring. Ms. Ferguson stated service provider monitoring looks very good. Staff is aware the follow-up process for adult and dislocated workers needs to be updated, and they are working with service providers to accomplish the update. Staff and providers are working to have more documentation regarding contacts. No questionable cost or major compliance issues have been identified.

Chairman Miles asked if any progress had been made on developing some sort of evaluation tool used by program operators to evaluate the administrative entity. Ms. Yankoff stated the State of Montana as the administrative entity is monitored by the USDOL. She said a tool for service providers has not yet been developed.X.

Rockies Energy Workforce Coalition

Ms. Watson gave an update on the Rockies Energy Workforce Coalition. She said the Coalition is focusing on a regional approach. In October discussions began in the oil & gas industry regarding workforce issues. Issues were currently serious, and were forecasted to get worse in the future. The Coalition spoke with state boards in several states. The first meeting was held in Denver in January to get organized. It was identified w people needed to be at the table: industry, workforce, and education. Monte King with Shell Oil has been taking the lead for the Coalition. Sub Teams have been formed for each segment: workforce, industry and education.

Education is looking at what curriculums are available at 2-year institutions in the 5-state region. Workforce is looking at needs. North Dakota is conducting a needs-assessment study through a contractor via face-to-face interviews. Montana is working to partner with North Dakota because Montana data is being gathered in their needs assessment due to the fact Montana and North Dakota cover a large area with several of the same companies represented in both states. The partnership will likely require some cost. Industry participants in the Coalition presented an industry tool kit in April that included: a computer disk, a website, and other items

to market to the industry. It has been identified there are many jobs in the energy industry with a lot of opportunities. Employment opportunities will not be only for oil workers. The outcome will be to train more workers in a short time. Ms. Watson advised Montana will need to watch how coal-bed methane affects the entire energy sector of MT, but that it is not currently being explored by the Coalition.

Commissioner Kelly explained Eastern Montana has had to sell its oil for \$35 per barrel instead of \$70 per barrel like other sources. This was because Eastern Montana can not get oil moved out of state efficiently. It has to be trucked to North Dakota and injected into pipeline. The Coalition may be able to address issues such as transportation of oil.

XI. Next meeting:

Montana's Labor Day Report has been tentatively scheduled for August 31, 2006. The importance of high SWIB attendance was expressed due to SWIB hosting the event. The next SWIB meeting was scheduled for August 31, 2006.

Chairman Miles advised Pam's last meeting as SWIB Director was this meeting. He expressed his appreciation for her efficiency and professionalism.

XII. Adjourn

With no further business, Chairman Miles adjourned the meeting at 3:32 p.m.

Dan Miles, Chairman

Date